

BELLSOUTH

Ben G. Almond
Executive Director-
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August 3, 1995

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Mr. William F. Caton
Acting Secretary
1919 M Street, NW, Room 222
Washington, DC 20554

RE: RM-8643 - Microwave Relocation

Dear Mr. Caton:

This is to inform you that on August 3, 1995, Scott Fox, Gordon Wiles and Ben Almond, all of BellSouth Corporation, met with David Furth, Edward Jacobs, Linda Kinney, Thomas S. Dombrowsky, Jr., and Rhoda Lien, all of the FCC, concerning the above referenced subject. The attached material was used for discussion purposes.

Please contact the undersigned to direct questions and comments about this filing.

Sincerely,



Ben Almond
Executive Director-Federal Regulatory

Attachment

cc: David Furth
Edward Jacobs
Linda Kinney
Thomas S. Dombrowsky, Jr.
Rhoda Lien

No. of Copies rec'd
List A B C D E

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Basic Assumptions:

- I. 2 GHz Private Operational Fixed Service Microwave (Part 94) and Broadband PCS operations cannot co-exist.
- II. Interference criteria is based upon TIA Bulletin 10F (or current version), Longley-Rice, or other accepted industry criteria.
- III. There will be a cost sharing cap of \$250,000 on general relocation expenses and a separate cap of \$150,000 for the costs of constructing all towers associated with a link. *It is recognized that the actual costs of relocation and tower construction may exceed the respective caps for certain links.*
- IV. A link is comprised typically of paired transmitting and receiving antennas and associated electronics located at two end points separated by an air interface.
- V. FCC database for 1850-1990 MHz microwave band will keep track of who holds which license, *i.e.*, when a PCS provider buys out a microwave incumbent, each license is assigned to the PCS provider pursuant to FCC authorization.
- VI. There will be a Clearing House. All PCS entities will be required to file Prior Coordination Notices ("PCNs") with the Clearing House. The Clearing House also will maintain a database (concurrent with FCC database) of all current and relocated microwave facilities within the Broadband PCS bands. The microwave database will include the interference rights accorded PCS entities which relocate or share in the cost of relocation.
- VII. The Clearing House will have the following responsibilities:
 - A. Maintaining the database of who has the interference rights for relocated microwave links.
 - B. Continuously analyzing received PCNs to determine if new cases of interference are created due to multiple exposure.
 - C. Analyzing PCNs to determine who owes whom for previously relocated microwave links. *See IX, below.*
 - D. Informing PCS entities of the amount of money they owe to Relocators.
- VIII. Cost sharing applies to any microwave relocation agreement dated on or after April 5, 1995, and prior to termination of the Clearing House.
- IX. The trigger event for cost sharing for a link would be the filing with the Clearing House of a Prior Coordination Notice ("PCN") that would have affected the link if the link had not been relocated previously.
- X. There will be one mechanism for resolving cost sharing disputes, such as binding arbitration.

Process Steps:

1. Broadband PCS entity identifies the incumbent microwave licensees' links that are co-channel and adjacent channel¹ to the broadband PCS entity's channel block and which are located within the broadband PCS entity's market and coordination distance.
2. Broadband PCS entity designs its PCS system and identifies impact of its planned operations on incumbent microwave systems.
3. Negotiate agreement with affected microwave licensees.
4. Assuming negotiations are successful, the microwave incumbent vacates its 2 GHz microwave facilities.
5. Relocating broadband PCS entity calculates the payments made to microwave incumbent for vacating its link(s); disaggregating the cost of each link or end point² to the extent possible. In the case of non-cash compensation made to the microwave incumbent, the agreement should detail such compensation and the value the parties attributed to the non-cash compensation.
6. Broadband PCS entity notifies Clearing House of the (cash and non-cash) payments made to microwave incumbent for vacating its link(s), including all agreements and other documentation to support such payments. Broadband PCS entity requests Clearing House enter this information into database.

¹ The receive intermediate frequency (I.F.) filtering for microwave equipment in this band is typically 2 to 3 times the width of the licensed transmit bandwidth.

² The costs which may be taken into account include such items as: radio terminal equipment, antennas, necessary feed lines, and multiplex equipment; towers modifications; back-up power equipment; monitoring and control equipment; engineering costs (design, path survey, etc.); installation; systems testing; FCC filing costs; site acquisition and civil works; zoning costs; training; disposal of old equipment; test equipment; spare equipment; project management; site lease renegotiation; power plant upgrade; electrical grounding systems; HVAC; alternate transport equipment; and leased facilities.

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7. Clearing House will identify licensed, unlicensed and yet-to-be licensed PCS entities which will be liable for cost sharing or reimbursement based on the following scenarios:

- a. If a relocated link is wholly within the Relocator's market & the Relocator's PCS band, there is no cost sharing. (The Relocator is the only PCS entity affected by the link on a co-channel basis. Thus, the Relocator is solely responsible for the relocation costs.)
- b. If a relocated link is wholly within the Relocator's market & the link is co-channel to the Relocator & other PCS entities in the Relocator's market, there is cost sharing.
- c. If a relocated link is wholly within the Relocator's market & the link is adjacent channel to Relocator & co-channel to other PCS entities in the Relocator's market, the Relocator is reimbursed 100% up to the cap.
- d. If a link is relocated because it is integral to a multi-link system and the link is a non-interference case to the Relocator but is co-channel to another PCS entity, the Relocator is reimbursed 100% up to the cap.
- e. If one end of the relocated link is within the Relocator's market and the other end is in another PCS entity's market, the Relocator is reimbursed 100% up to the cap for the end of the link which is outside the Relocator's market. To determine the disposition of costs for the end of the link which is within the Relocator's market, use the criteria in a through d, above.³
- f. If the relocated link is outside the Relocator's market, the Relocator is reimbursed 100% up to the cap regardless of PCS frequencies.

8. If facts warrant cost sharing, Clearing House establishes an account for the Relocator for each link or end point, as appropriate. Clearing House will consider the general relocation expenses cap and the tower construction cap in determining amount subject to cost sharing.

³ In cases involving cost sharing for an end point, the relocation cost which will be shared for each end point will be no more than \$125,000 and \$75,000 for tower.

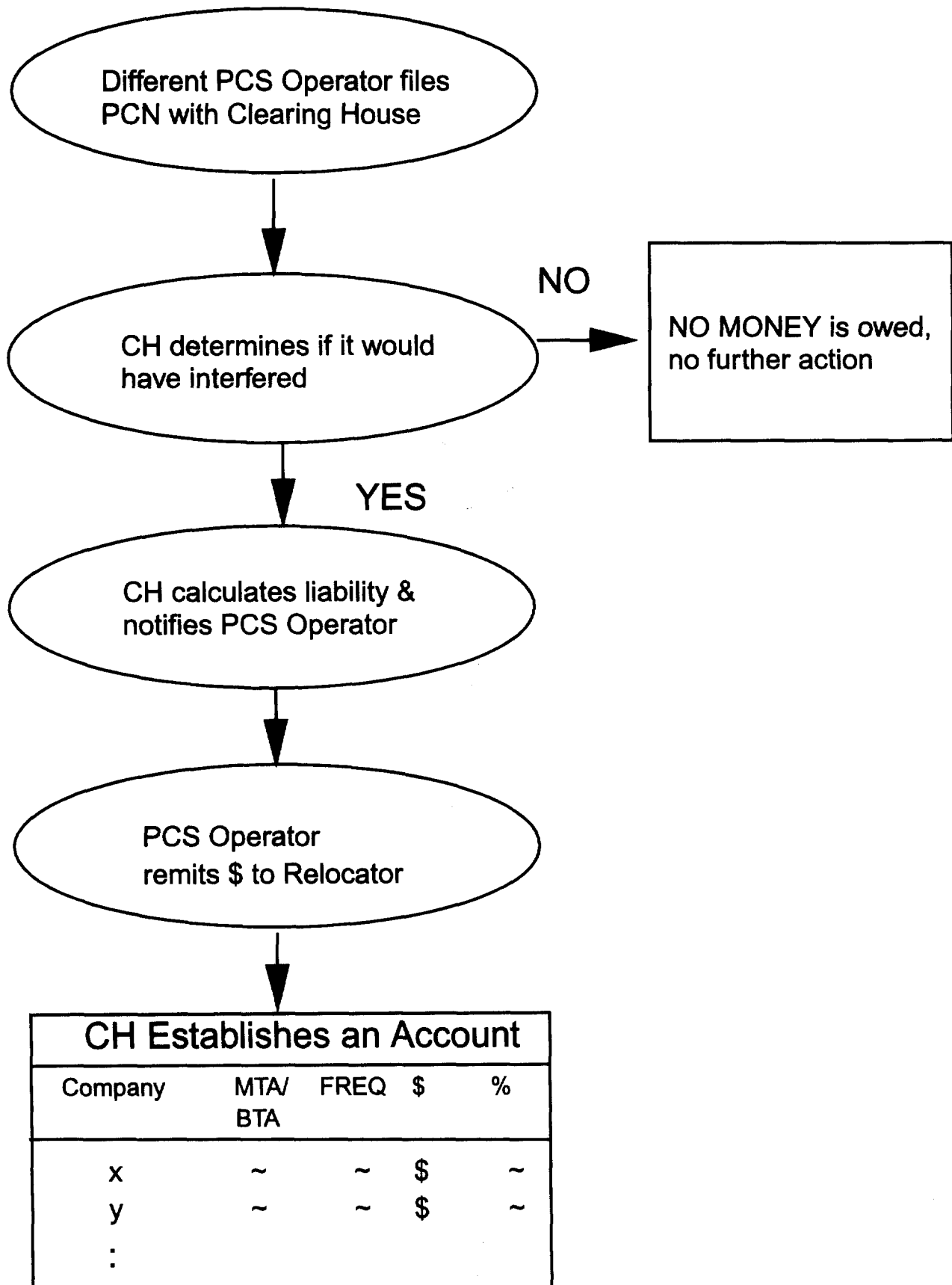
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9. Within fifteen days of receipt of a PCN that triggers a cost sharing obligation, Clearing House notifies PCS entities of their cost sharing rights and obligations. Notification on a link by link (or, if applicable, end point) basis to include items such as: technical information on link(s) relocated (microwave system design, type of equipment, tower information); and details of relocation agreement with microwave incumbent.
10. PCS entities, other than entrepreneurs and unlicensed entities, must make full payments within thirty days of notice of cost sharing obligation. Entrepreneurs and unlicensed entities must make initial installment payment within thirty days of notice of cost sharing obligation.
11. Relocator notifies Clearing House of receipt of cost sharing payments.
12. The information contained in the Clearing House database will be treated as confidential by the Clearing House and it will be divulged only to the PCS entities which require such information in support of their cost sharing obligations. All PCS entities will be required to execute a non-disclosure agreement with the Clearing House.
13. Clearing House updates database as interference rights are transferred.
14. Disputed cost sharing obligations are subject to binding arbitration. Within thirty days of notice of cost sharing obligation, a PCS entity which disagrees with the cost associated with a relocation or its obligation to share in such costs must notify the Clearing House and the other PCS entities involved that it is exercising its right to proceed to binding arbitration.
15. The initial and ongoing costs of the Clearing House operations are to be borne by the PCS entities. Initial costs of Clearing House will have to be funded by Block A & B license holders based on a per pop formula; they will be reimbursed through credits which can be used to offset fees for processing PCNs. Clearing House will be a non-profit or not-for-profit organization.
16. PCS licenses will be conditioned on compliance with cost sharing rules. All PCS licensees and unlicensed entities will be required to participate in Clearing House. Failure of a PCS licensee or unlicensed entity to comply with cost sharing will result in FCC forfeiture or license termination, as appropriate.

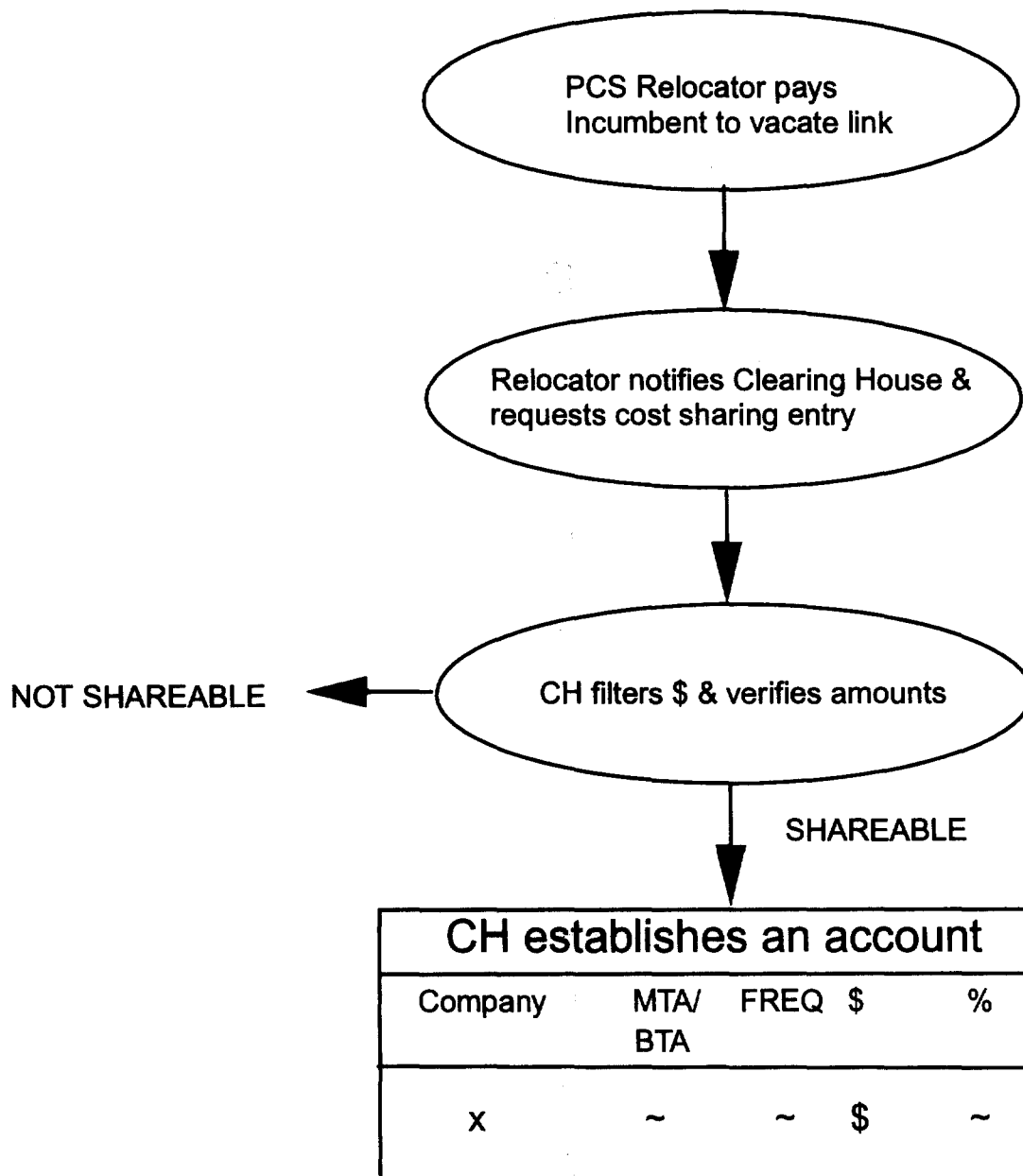
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17. Because Clearing House will have most extensive database of the various PCS networks, Clearing House would be the most likely entity to perform PCS-to-PCS system coordination..

THE SHARING/REIMBURSEMENT PROCESS

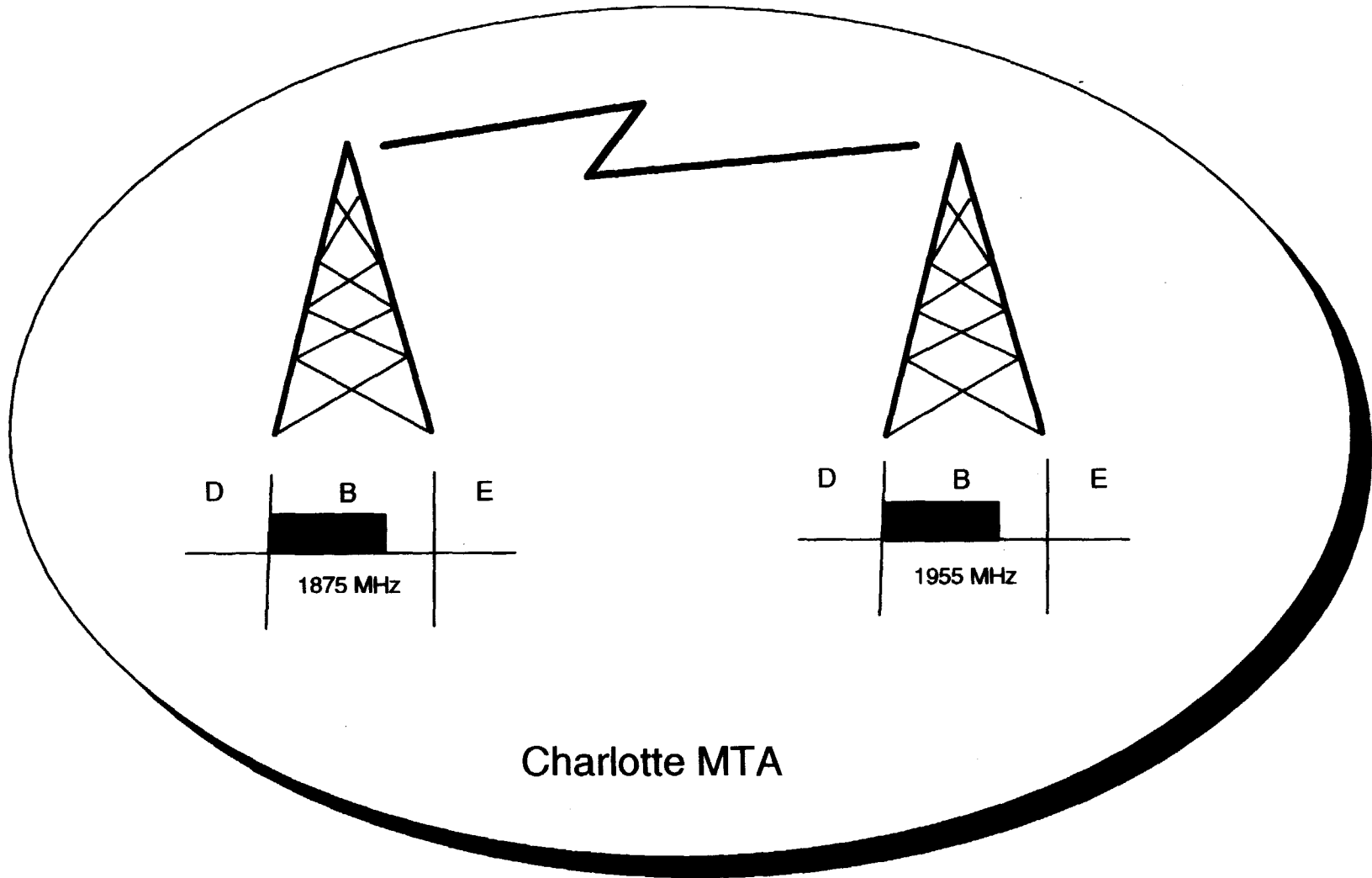


ESTABLISHING AN ACCOUNT



Scenario a

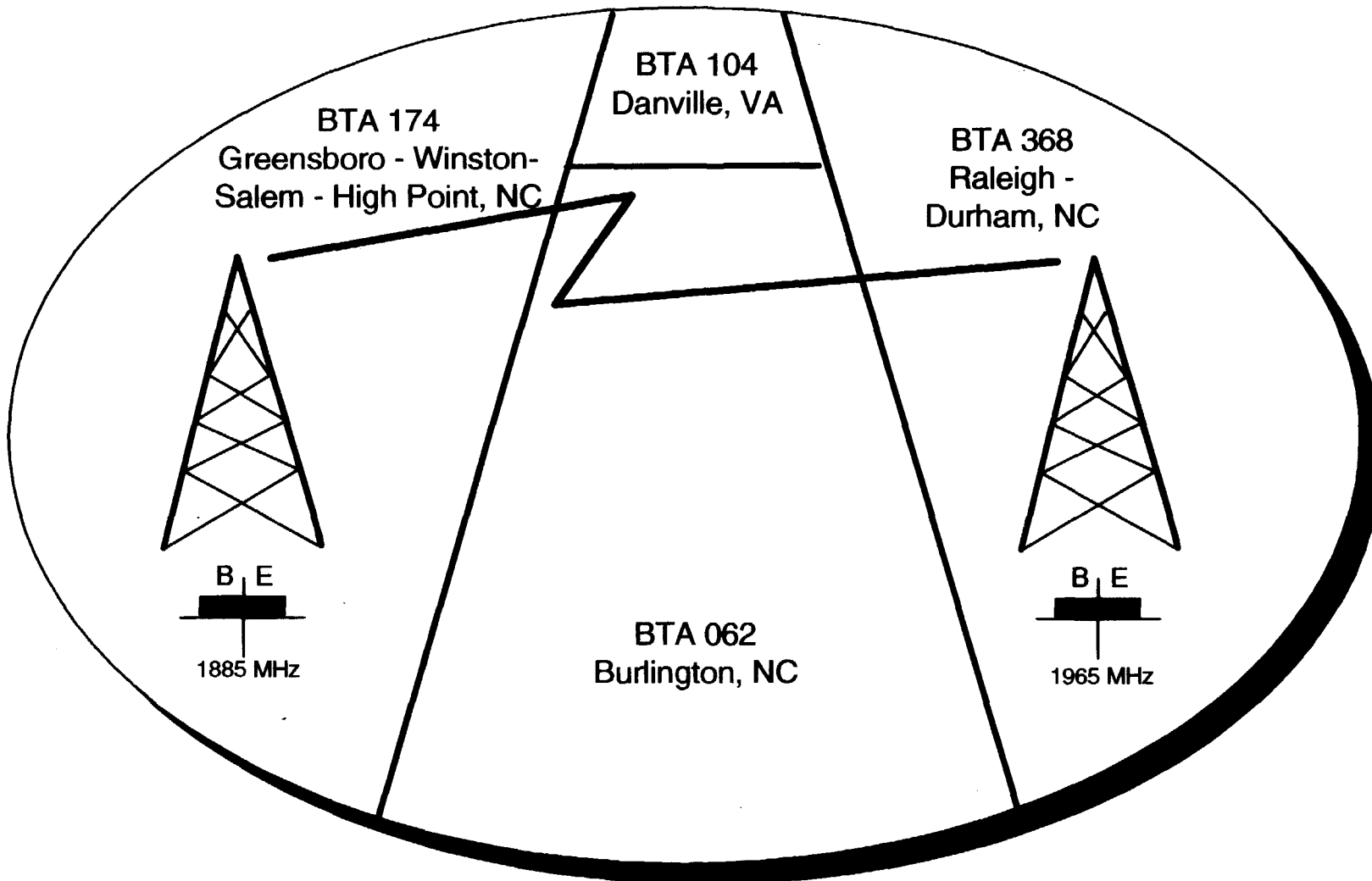
If a relocated link is wholly within the Relocator's market & the Relocator's PCS band, there is no cost sharing. (The Relocator is the only PCS entity affected by the link on a co-channel basis. Thus, the Relocator is solely responsible for the relocation costs.) Relocator is Charlotte MTA Block B licensee.



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Scenario b

If a relocated link is wholly within the Relocator's market & the link is co-channel to the Relocator & other PCS entities in the Relocator's market, there is cost sharing. Relocator is Charlotte MTA Block B licensee.

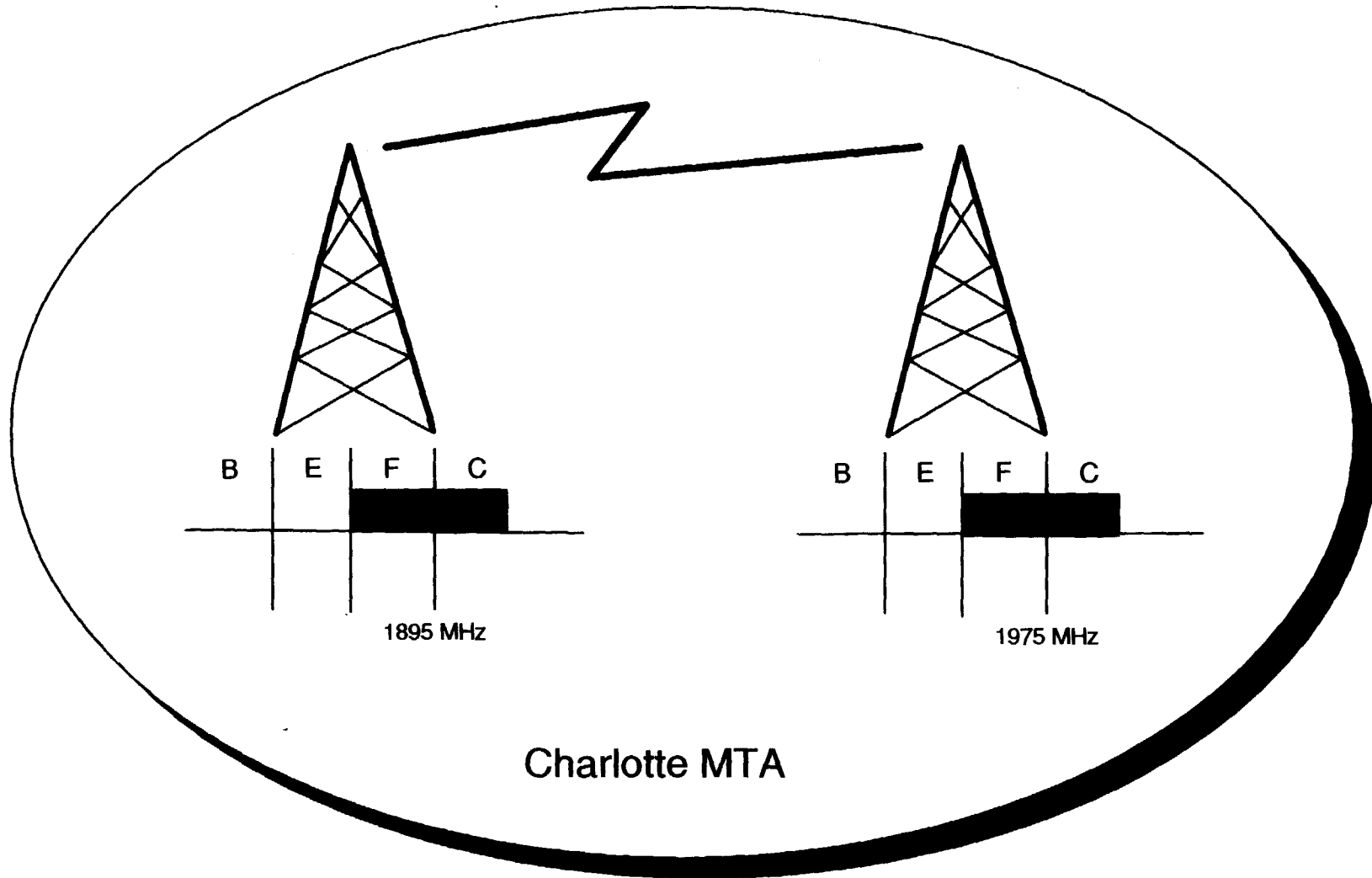


Charlotte MTA

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Scenario c

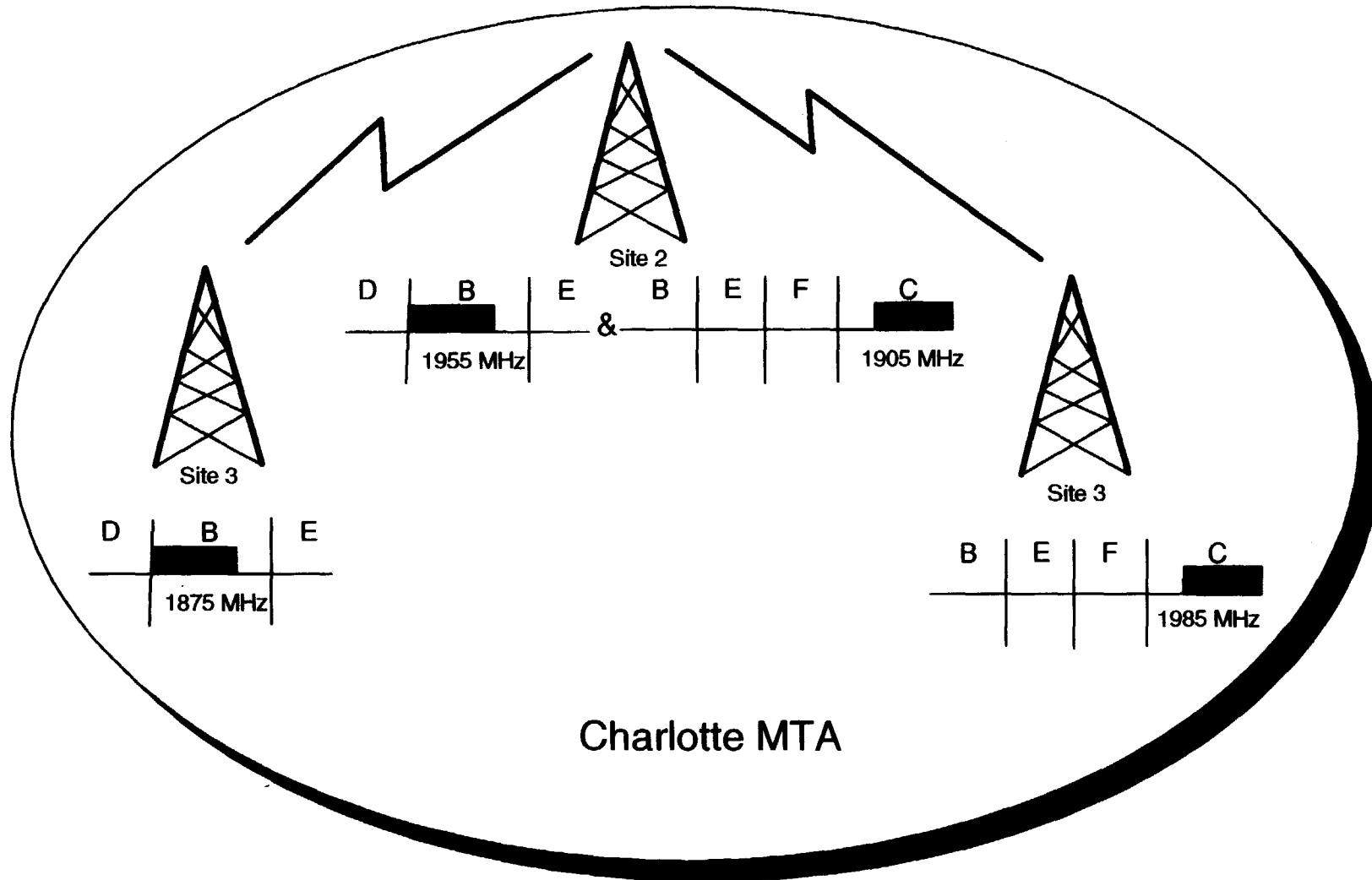
If a relocated link is wholly within the Relocator's market & the link is adjacent channel to Relocator & co-channel to other PCS entities in the Relocator's market, the Relocator is reimbursed 100% up to the cap. Relocator is Charlotte MTA Block B licensee.



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Scenario d

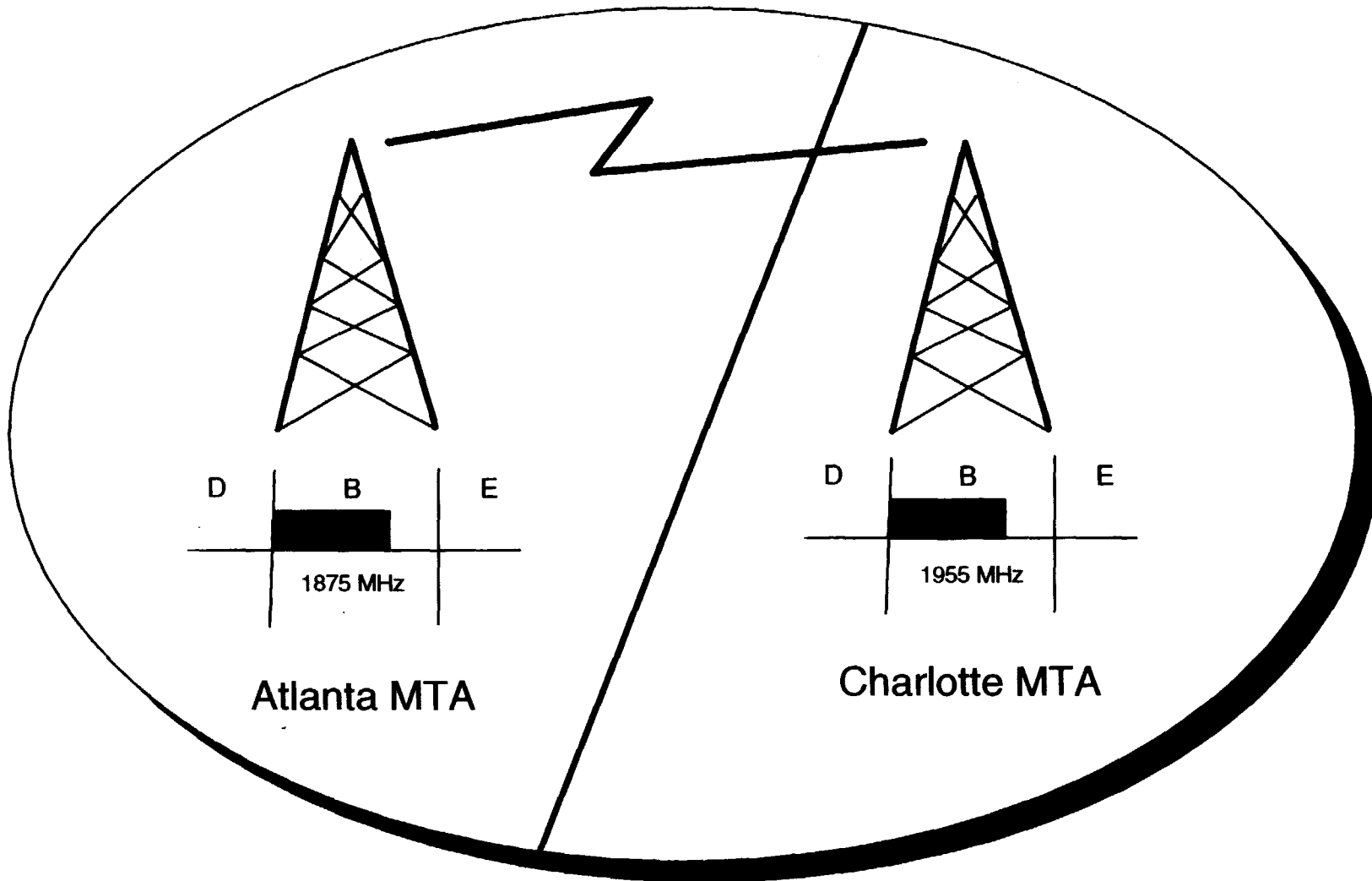
If a link is relocated because it is integral to a multi-link system and the link is a non-interference case to the Relocator but is co-channel to another PCS entity, the Relocator is reimbursed 100% up to the cap. Relocator is Charlotte MTA Block B licensee.



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Scenario e

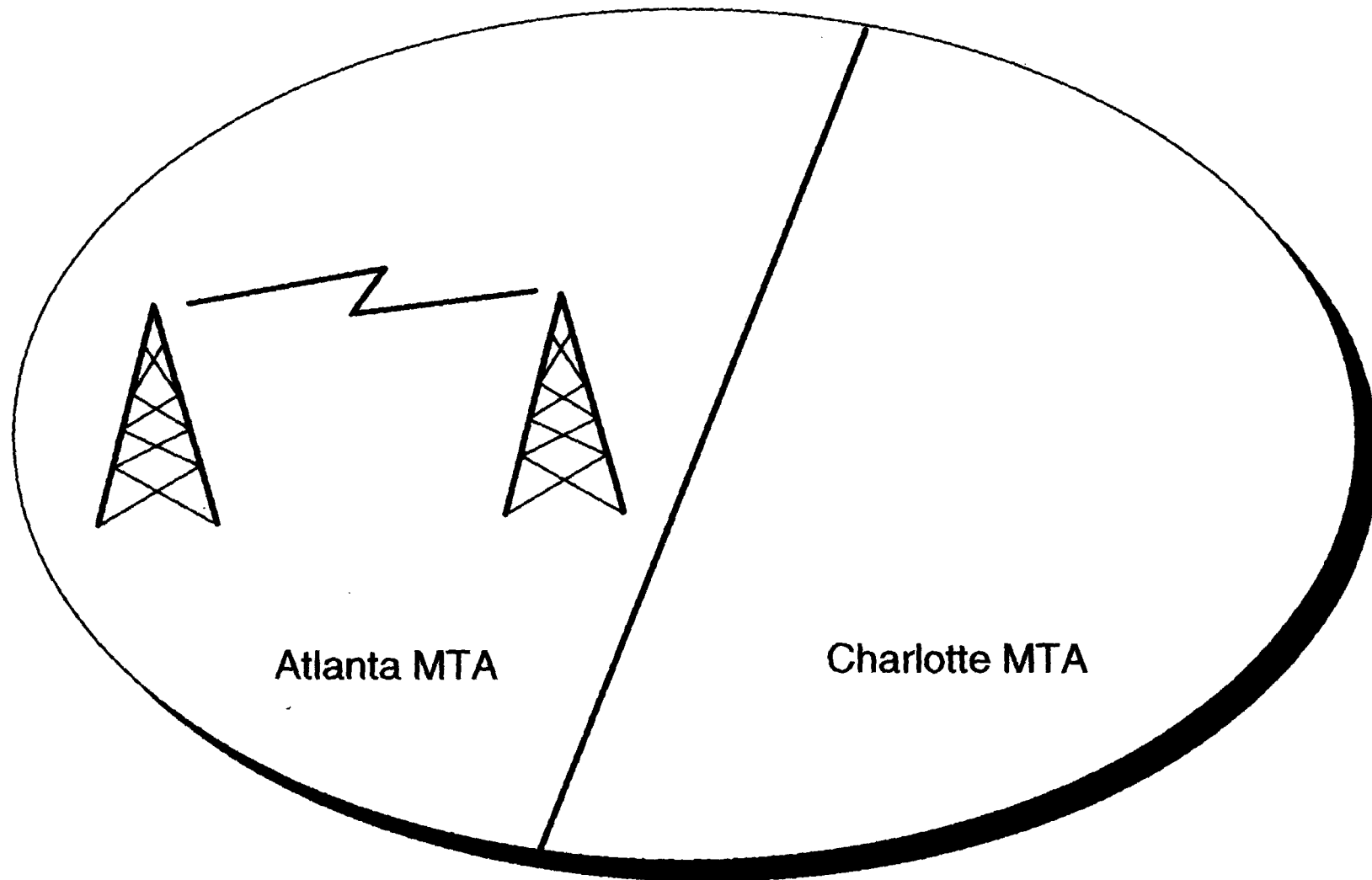
If one end of the relocated link is within the Relocator's market and the other end is in another PCS entity's market, the Relocator is reimbursed 100% up to the cap for the end of the link which is outside the Relocator's market. To determine the disposition of costs of the end of the link which is within the Relocator's market, use the criteria in Process Steps 7.a - d. Relocator is Charlotte MTA Block B licensee.



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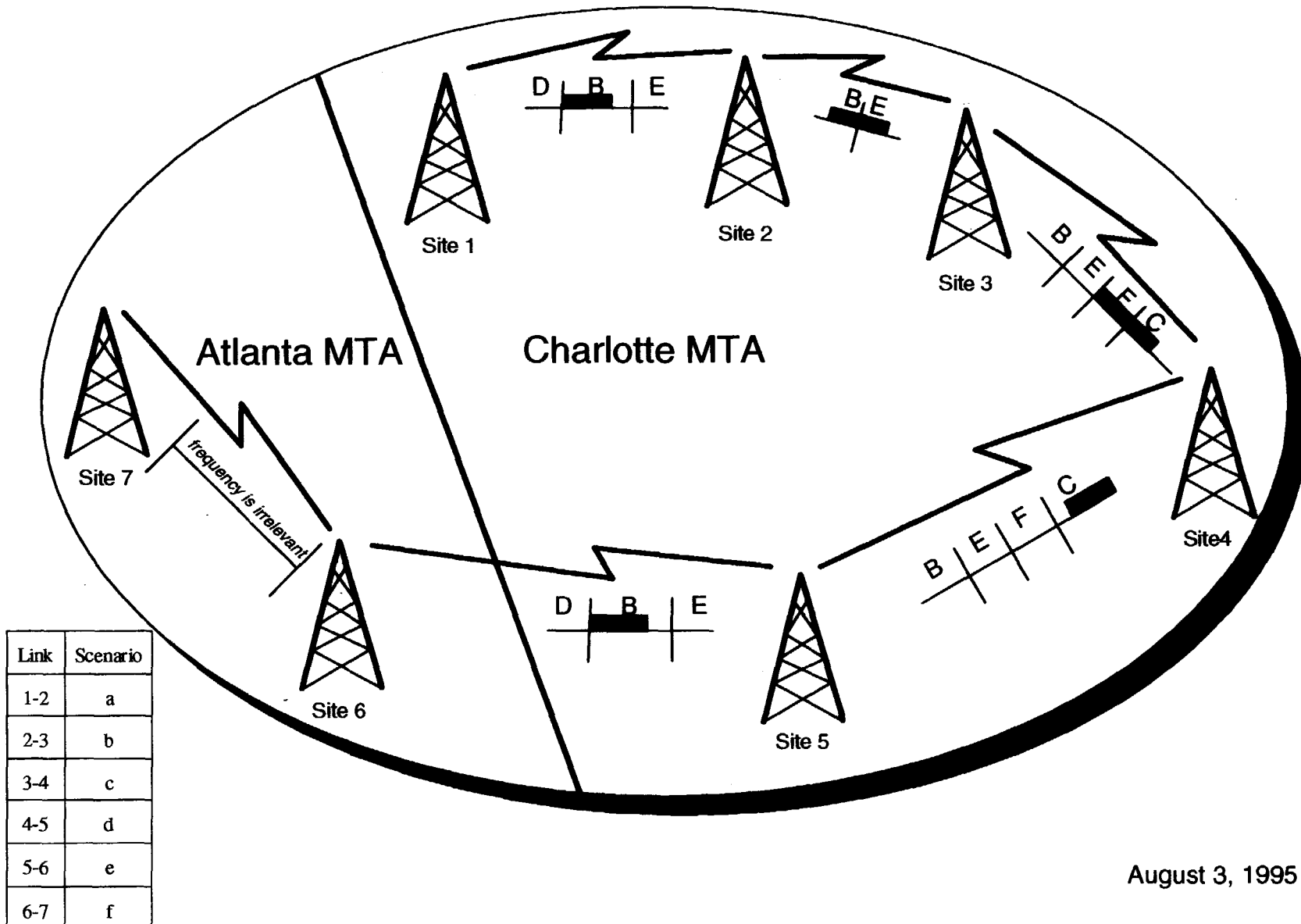
Scenario f

If the relocated link is outside the Relocator's market, the Relocator is reimbursed 100% up to the cap regardless of PCS frequencies. Relocator is Charlotte MTA Block B licensee.



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Network which includes all reimbursement/non-reimbursement scenarios. Relocator is Charlotte MTA Block B licensee.



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